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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:	)	Chapter 11
VOYAGER DIGITAL HOLDINGS, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 22-10943 (MEW)
Debtors.	)	(Jointly Administered)

**FIRST INTERIM FEE APPLICATION OF DELOITTE TAX LLP FOR  
COMPENSATION FOR SERVICES RENDERED AS TAX SERVICES PROVIDER TO  
THE DEBTORS FOR THE PERIOD FROM  
AUGUST 1, 2022 THROUGH NOVEMBER 30, 2022**

Name of Applicant:	Deloitte Tax LLP
Authorized to Provide Professional Services as:	Tax Services Provider
Date of Retention:	Effective as of August 2, 2020
Period for which Compensation and Reimbursement is Sought:	August 1, 2022 through November 30, 2022
Total Amount of Fees Requested:	\$ 867,517.00
Amount of Expense Reimbursement Sought	\$ -
Total Amount of Fees and Expense:	<u>\$ 867,517.00</u>
This is an: <input type="checkbox"/> Monthly <input checked="" type="checkbox"/> Interim <input type="checkbox"/> Final Application	

The Debtors in these chapter 11 cases, along with the four digits of each Debtor's federal tax identification number, are: Voyager Digital Holdings, Inc. (7687); Voyager Digital Ltd. (7224); and Voyager Digital, LLC (8013). The location of the Debtors' principal place of business is 33 Irving Place, Suite 3060, New York, NY 10003.

**PRIOR FEE APPLICATIONS FILED**

<b>Date Filed/Docket #</b>	<b>Period Covered</b>	<b>Requested Fees</b>	<b>Requested Expenses</b>	<b>Approved Fees</b>	<b>Approved Expense</b>
11/17/2022 Dkt. 653	8/1/2022 - 10/31/2022	\$749,232.00	\$ -	\$ 599,385.60	\$ -
12/14/2022 Dkt. 724	11/1/2022 - 11/30/2022	\$118,285.00	\$ -	\$ 94,628.00	\$ -
<b>Total</b>		<b>\$867,517.00</b>	<b>\$ -</b>	<b>\$ 694,013.60</b>	<b>\$ -</b>

**CUMULATIVE TIME SUMMARY BY PROFESSIONAL**

For the Period August 1, 2022 through November 30, 2022

<b>Professional</b>	<b>Level</b>	<b>Rate</b>	<b>Hours</b>	<b>Fees</b>
<b><i>Preparation of Fee Applications</i></b>				
Gutierrez, Dalia	Consultant	\$250.00	26.6	\$6,650.00
<b>Professional Subtotal:</b>			<b>26.6</b>	<b>\$6,650.00</b>

<b>Professional</b>	<b>Level</b>	<b>Rate</b>	<b>Hours</b>	<b>Fees</b>
<b><i>Tax Advisory Services</i></b>				
Boulos, Ala'a	Partner/Principal	\$1,160.00	38.7	\$44,892.00
Fernandez, Tom	Partner/Principal	\$1,160.00	0.5	\$580.00
Forrest, Jonathan	Partner/Principal	\$1,160.00	42.6	\$49,416.00
Gibian, Craig	Partner/Principal	\$1,160.00	91.9	\$106,604.00
Larsen, Peter	Partner/Principal	\$1,160.00	3.6	\$4,176.00
Massey, Rob	Partner/Principal	\$1,160.00	3.4	\$3,944.00
Tasso, Nathan	Partner/Principal	\$1,160.00	8.5	\$9,860.00
Turensine, Aaron	Partner/Principal	\$1,160.00	114.6	\$132,936.00
Tzavelis, Elias	Partner/Principal	\$1,160.00	5.7	\$6,612.00
Ulleweit, Michael	Partner/Principal	\$1,160.00	0.5	\$580.00
Cooper, Matt	Managing Director	\$1,160.00	0.5	\$580.00
Krozek, Derek	Managing Director	\$1,160.00	47.9	\$55,564.00
Penico, Victor	Managing Director	\$1,160.00	2.0	\$2,320.00
Spowage, Kelly	Managing Director	\$1,160.00	1.6	\$1,856.00
Sullivan, Brian	Managing Director	\$1,160.00	8.6	\$9,976.00
Abney, Teresa	Senior Manager	\$1,020.00	0.5	\$510.00
Butler, Mike	Senior Manager	\$1,020.00	51.0	\$52,020.00
Cukier, Lindsay	Senior Manager	\$1,020.00	5.1	\$5,202.00
Cutler, Jonathan	Senior Manager	\$1,020.00	2.7	\$2,754.00
Etzl, Matthew	Senior Manager	\$1,020.00	0.5	\$510.00

Gladman, Paul	Senior Manager	\$1,020.00	3.2	\$3,264.00
Padilla, Dana	Senior Manager	\$1,020.00	4.5	\$4,590.00
Tucker, Erin	Senior Manager	\$1,020.00	17.5	\$17,850.00
Boyd, Anna	Manager	\$870.00	30.7	\$26,709.00
Chatten, Colin	Manager	\$870.00	13.7	\$11,919.00
Cooper, Kenny	Manager	\$870.00	10.1	\$8,787.00
Lim, Han Xin	Manager	\$870.00	60.8	\$52,896.00
O'Brien, Conor	Manager	\$870.00	0.5	\$435.00
Paradis, Matt	Manager	\$870.00	2.8	\$2,436.00
Pickering, Maria	Manager	\$870.00	48.2	\$41,934.00
McDermott, Jack	Senior Consultant	\$750.00	34.0	\$25,500.00
Roldan, Carolina	Senior Consultant	\$750.00	10.2	\$7,650.00
Heyman, Tom	Consultant	\$630.00	63.9	\$40,257.00
Liu, Lily	Consultant	\$630.00	10.1	\$6,363.00
Moon, Hyewon	Consultant	\$630.00	9.5	\$5,985.00
Song, Jessie	Consultant	\$630.00	5.5	\$3,465.00
Torres, Nicole	Consultant	\$630.00	13.8	\$8,694.00
Wegesin, Jack	Consultant	\$630.00	25.9	\$16,317.00
Weiss, Thomas	Consultant	\$630.00	96.3	\$60,669.00
Wilson, Clinton	Consultant	\$630.00	38.5	\$24,255.00
<b>Professional Subtotal:</b>			<b>930.1</b>	<b>\$860,867.00</b>
<b>Total</b>	<b>Blended Rate:</b>	<b>\$906.78</b>	<b>956.7</b>	<b>\$867,517.00</b>

**CUMULATIVE FEES BY CATEGORY SUMMARY**  
For the Period August 1, 2022 through November 30, 2022

<b>Categories</b>	<b>Hours</b>	<b>Fees</b>
Preparation of Fee Applications	26.6	\$6,650.00
Tax Advisory Services	930.1	\$860,867.00
<b>Fees Category Subtotal :</b>	<b>956.7</b>	<b>\$867,517.00</b>

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**UNITED STATES BANKRUPTCY COURT**  
**SOUTHERN DISTRICT OF NEW YORK**

<p><b>In re:</b></p> <p><b>VOYAGER DIGITAL HOLDINGS, INC., <i>et al.</i>,<sup>1</sup></b></p> <p style="text-align: center;"><b>Debtors.</b></p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p><b>Chapter 11</b></p> <p><b>Case No. 22-10943 (MEW)</b></p> <p><b>(Jointly Administered)</b></p>
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**FIRST INTERIM FEE APPLICATION OF DELOITTE TAX LLP FOR  
COMPENSATION FOR SERVICES RENDERED AS TAX SERVICES  
PROVIDER TO THE DEBTORS FOR THE PERIOD FROM  
AUGUST 1, 2022 THROUGH NOVEMBER 30, 2022**

Deloitte Tax LLP (“Deloitte Tax” or “Applicant”), as tax services provider to Voyager Digital Holdings, Inc. and its affiliated debtor entities as debtors and debtors-in-possession (collectively, the “Debtors”) in these chapter 11 cases, hereby seeks interim allowance and payment of compensation and reimbursement of expenses pursuant to section 330 of title 11 of the United States Code (the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rule 2016-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”), for the period commencing August 1, 2022 through and including November 30, 2022 (the “Application Period”). In support of this application (the “Fee Application”), Deloitte Tax respectfully represents as follows:

The Debtors in these chapter 11 cases, along with the four digits of each Debtor's federal tax identification number, are: Voyager Digital Holdings, Inc. (7687); Voyager Digital Ltd. (7224); and Voyager Digital, LLC (8013). The location of the Debtors' principal place of business is 33 Irving Place, Suite 3060, New York, NY 10003.

### **JURISDICTION**

1. The United States Bankruptcy Court for the Southern District of New York (the "Court") has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

### **STATUTORY BASIS**

2. The statutory predicates for the relief requested herein are: (i) section 330 of the Bankruptcy Code; (ii) rule 2016 of the Bankruptcy Rules; and (iii) rule 2016-1 of the Local Rules.

### **BACKGROUND**

3. On July 5, 2022 (the "Petition Date"), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. These chapter 11 cases have been consolidated for procedural purposes only and are jointly administered pursuant to Bankruptcy Rule 1015(b) [Docket No. 18]. On July 19, 2022, the United States Trustee for the Southern District of New York (the "U.S. Trustee") appointed an official committee of unsecured creditors [Docket No. 102] (the "Committee"). No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

4. On August 4, 2022, the Court entered the *Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals and (II) Granting Related Relief* [Docket No. 236] (the "Compensation Order").

**RETENTION OF DELOITTE TAX**

5. On September 29, 2022, the Debtors filed the *Debtors' Application For Entry of an Order Authorizing the Debtors to Employ and Retain Deloitte Tax LLP as Tax Services Provider Effective as of August 1, 2022* [Docket No. 478] (the "Retention Application").

6. On October 20, 2022, the Court entered an order approving the Retention Application [Docket No. 578] (the "Retention Order").

**RELIEF REQUESTED**

7. By this Fee Application, Deloitte Tax respectfully requests interim allowance of 100% of its fees in the amount of \$867,517.00 (the "Requested Fees"), as compensation for professional services rendered to the Debtors during the Application Period. For the avoidance of doubt, Deloitte Tax has been paid 80% of the Requested Fees, and the Requested Fees is inclusive of the 20% holdback. Deloitte Tax did not incur any expenses during the Application Period. Deloitte Tax submits this Fee Application in accordance with the Retention Order and Compensation Order. All services for which Deloitte Tax requests compensation were performed for the Debtors.

**BASIS FOR RELIEF**

8. This is the first interim fee application filed by Deloitte Tax in these cases. In connection with the professional services rendered, by this Fee Application, Deloitte Tax seeks compensation in the amount of \$867,517.00. The Applicant maintains computerized records of the time expended in the rendering of the professional services required by the Debtors. These records are maintained in the ordinary course of the Applicant's business. A detailed statement of hours spent rendering professional services to the Debtors in support of Deloitte Tax's request for compensation for fees incurred during the Application Period is attached hereto as Exhibit A.

Exhibit A: (i) identifies the professionals and paraprofessionals that rendered services in each project category; and (ii) describes each service such professional or paraprofessional performed.

9. Deloitte Tax did not incur any expenses in connection with the services performed for the Debtors during the Application Period.

10. No agreement or understanding exists between Deloitte Tax and any nonaffiliated or unrelated person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with these cases.

### **DESCRIPTION OF SERVICES RENDERED**

11. Deloitte Tax provides below an overview of the services it rendered as auditor and advisory services provider to the Debtors during the Application Period. Detailed descriptions of these services, the amount of fees incurred, and the amount of hours spent providing services throughout the Application Period are also provided in the attached Exhibits.

#### **Tax Advisory Services:**

**Hours 930.1, Amount \$860,867.00**

- Deloitte Tax performed services related to analyzing the tax transaction flow process related to the various services offered by the Debtors, including the lending process, brokerage services, taking operations and trading activities. In addition, Deloitte Tax analyzed data to assist the Debtors with developing a tax position around accounting methodology to track basis in transactions conducted on the Debtors' digital asset platform (including the proprietary VGX token) and the acquired digital asset platform that generated these tokens.
- Deloitte Tax advised on the Debtors' tax information reporting requirements (i.e. Form 1099) that may be required of it related to providing customer rewards, being an intermediary on behalf of customers, and other customer related transactions. Deloitte Tax also advised the

Debtors with respect to the potential tax implications from the initial transaction with its Canadian parent entity and helped the Debtors formulate tax accounting methodology to be used in tracking tax basis of the various assets included in transactions using the Debtors' digital asset platform.

**Preparation of Fee Applications:**

**Hours 26.6, Amount \$6,650.00**

- During the Application Period, Deloitte Tax began the preparation of Applicant's October monthly fee statement [D.I. 653], and November monthly fee statement [D.I. 724] in accordance with the Compensation Order.

**ALLOWANCE OF COMPENSATION**

12. Because of the benefits realized by the Debtors, the nature of services provided, the amount of work done, the time consumed and the skill required, Deloitte Tax requests that it be allowed, on an interim basis, compensation for the professional services rendered during the Application Period in the sum of \$867,517.00.

13. During the Application Period, allowance of compensation in the amount requested would result in a blended hourly billing rate for professionals of approximately \$906.78.

14. Deloitte Tax respectfully submits that the professional services rendered by Deloitte Tax for the Debtors during the Application Period were reasonable, necessary and appropriate to the administration of these chapter 11 cases and related matters.

**DELOITTE TAX'S REQUESTED FEES SHOULD BE ALLOWED**

15. Section 330 provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Section 330 sets forth the criteria for the award of compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded . . . the court



shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (a) the time spent on such services;
- (b) the rates charged for such services;
- (c) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (d) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (e) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (f) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

16. The services for which Deloitte Tax seeks compensation in this Application Period were necessary and beneficial to the Debtors and were performed economically, effectively, and efficiently. The compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors. Further, in accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount of fees requested is fair and reasonable given: (i) the complexity of these cases; (ii) the time expended; (iii) the nature and extent of the services rendered; (iv) the value of such services; and (v) the costs of comparable services other than in a case under the Bankruptcy Code. Accordingly, the approval of the compensation sought herein is warranted.

#### **CERTIFICATE OF COMPLIANCE AND WAIVER**

17. The undersigned representatives of Deloitte Tax certifies that Deloitte Tax has reviewed the requirements of rule 2016-1 of the Local Rules and that the Fee Application substantially complies with that Local Rule. To the extent that the Fee Application does not

comply in all respects with the requirements of Local Rule 2016-1, Deloitte Tax believes that such deviations are not material and respectfully requests that any such requirement be waived.

WHEREFORE, Deloitte Tax respectfully requests that the Court enter an order: (i) granting interim allowance of compensation for professional services rendered to the Debtors by Deloitte Tax during the Application Period in the amount of \$867,517.00; (ii) authorizing and directing the Debtors to pay all such amounts to Deloitte Tax to the extent not previously paid; and (iii) granting such other and relief as may be just and proper.

Dated: February 8, 2023  
Houston, Texas

Respectfully submitted,

DELOITTE TAX LLP

/s/ Ala'a Boulos

Ala'a Boulos

Partner

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